

Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec Avenue, at 3:00 p.m. on Monday, May 11, 2015.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor: Jackie McKinney

Councilors: Linda Garcia
Allan Landavazo
Yogash Kumar
Fran Palochak

Also present: Maryann Ustick, City Manager
George Kozeliski, City Attorney

The Mayor and Councilors conducted a Work Session to review and discuss the following topic:

1. Proposed Fiscal Year (FY) 2016 Budget – Maryann Ustick, City Manager and Patty Holland, Chief Financial Officer

Ms. Ustick said the City needs to submit its Preliminary Budget for FY 2016 to the State prior to June 1, 2015. In order to meet the State's deadline, she recommended holding a special meeting on Wednesday, May 20, 2015 which would provide time for the Mayor and Councilors to review and approve the Preliminary Budget. The Final Budget for FY 2016 will be presented to the Mayor and Councilors for their consideration next month and will need to be submitted to the State prior to the July 1, 2015 deadline.

Ms. Ustick and Ms. Holland presented a power point presentation on the proposed FY 2016 Budget. A copy of the power point presentation is attached hereto and made a part of these official Minutes.

The Mayor and Councilors conducted a review of the FY 2016 Proposed Budget. Ms. Ustick, Ms. Holland and the department heads answered questions posed by the Mayor and Councilors. There was no action taken by the Mayor and Councilors.

There being no further business, Councilor Landavazo made the motion to adjourn the meeting. Seconded by Councilor Kumar. Roll call: Councilors Landavazo, Kumar, Garcia, Palochak, and Mayor McKinney all voted aye.

MINUTES


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Jackie McKinney, Mayor

ATTEST:



Alfred Abeita II, City Clerk

Approved 5/26/2015

CITY OF GALLUP

FY 2016 BUDGET PRESENTATION



FOCUS: GENERAL FUND



Cuts have been made and we are now presenting a balanced budget for FY 2016, including a 14% reserve



Proposed FY 2016 Budget Highlights

- ▶ Held individual department Budget Review Meetings and discussed line item reductions. Followed up with 5% across the board reductions in General Fund operations with department input.
- 1. Moved 1.7 in $\frac{1}{4}$ % GRT Infrastructure Tax from General Fund to separate fund to fund CIP/Major Equipment and track.
- 2. General Fund:
 - A. No new positions
 - B. No COLA for staff
 - C. No General Funding for Capital Projects
 - D. No new vehicles (except for 10 Police vehicles included in CIP and funded by Infrastructure GRT).
 - E. Moved Clean and Lien Program to Environmental Fund (\$150,000)
 - F. In order to balance General Fund Budget need reductions in Red Rock Park Budget due to loss of Lodgers Tax Reserves funding.



Highlights cont'd

3. Enterprise Funds:

- A. Increased cost allocation from 5.5% back to 8% pending 10 Year Financial Plan/Projections for Electric and Water/Wastewater Funds and new Cost Allocation Plan.
- B. Proposed new Accountant position for Enterprise Funds.
- C. Continue to fund GGEDC from Enterprise Funds (\$125,000 charged to Electric and \$125,000 to Water)

4. Lodgers Tax Funds:

- A. Recommend allocation of \$100,000 for Red Rock Park (\$200,000 less than previous year)
- B. Recommend creation of Tourism Manager Position
 - i. Develop Marketing Strategy/Plan for approval by Committee and Council and performance measures to annually evaluate plan and effectiveness of Lodgers Tax allocations
 - ii. Coordinate tourism promotion with other agencies such as State Tourism Department, Chamber, Adventure Gallup etc. and develop and update tourism website.
 - iii. Promote City at conventions and other venues to increase tourism
 - iv. Coordinate and manage grant applications and reporting to increase and leverage City's Lodgers Tax funds.



Highlights cont'd

1. Special Activities Funding:

Held to previous year funding levels (Gallup Express, Boys and Girls Club, Veterans Helping Veterans, YCC, Main Street Arts and Culture District, Film Liaison, BID, COG, and SWIF)



GENERAL FUND REVENUES

▶ MAJOR SOURCES – RECURRING VS NON-RECURRING

- Taxes

(Gross Receipts, Property, State Shared, Franchise)

- Service Charges

(Licenses, Registrations, Fines, Permits)

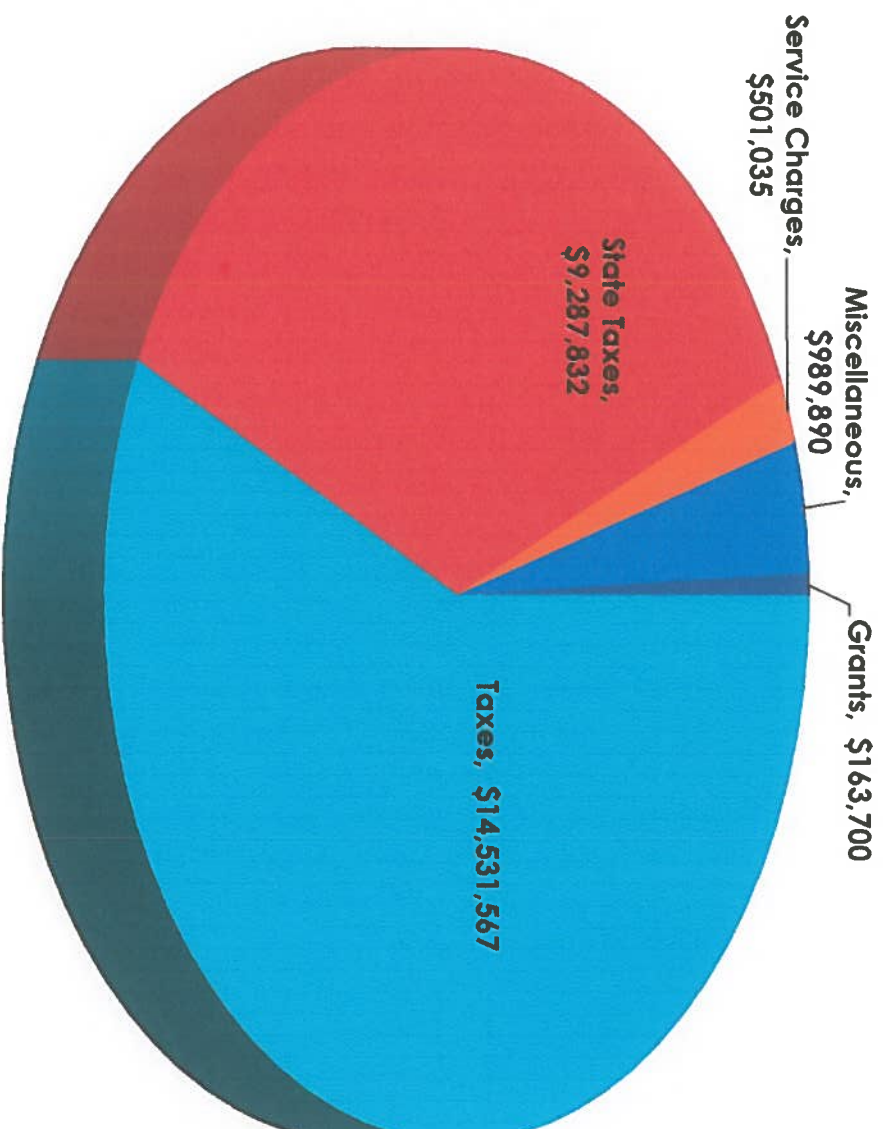
- Miscellaneous Income

(Rental, Discounts, Sale of Fixed Assets, Interest Income)

- Grants

(Intergovernmental, JPAs, Lodgers' Tax)

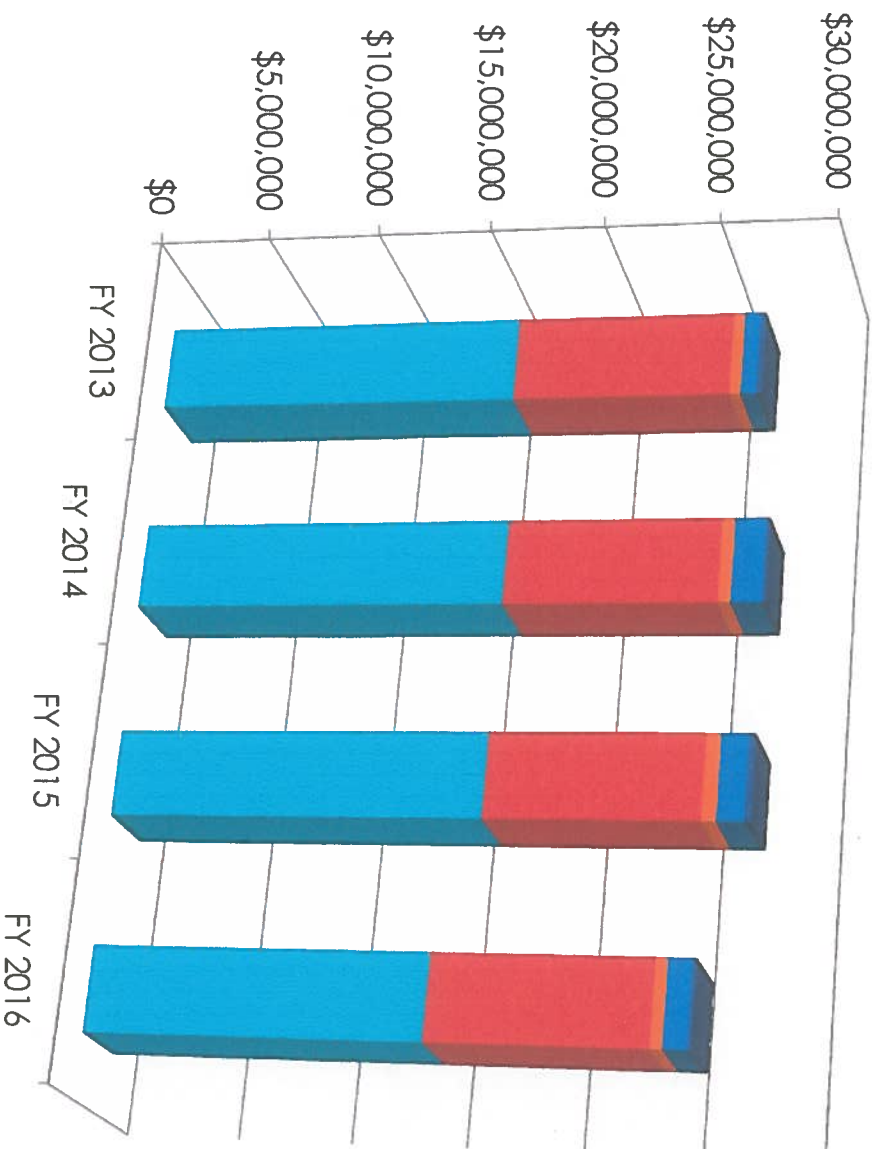




General Fund Revenue Make Up

The City relies heavily on taxes. So a small decrease in actual tax distributions dramatically affects our overall budget.

GENERAL FUND REVENUE SOURCES



- Grant Income
- Miscellaneous Income
- Charges for Services
- State Shared Taxes
- Taxes

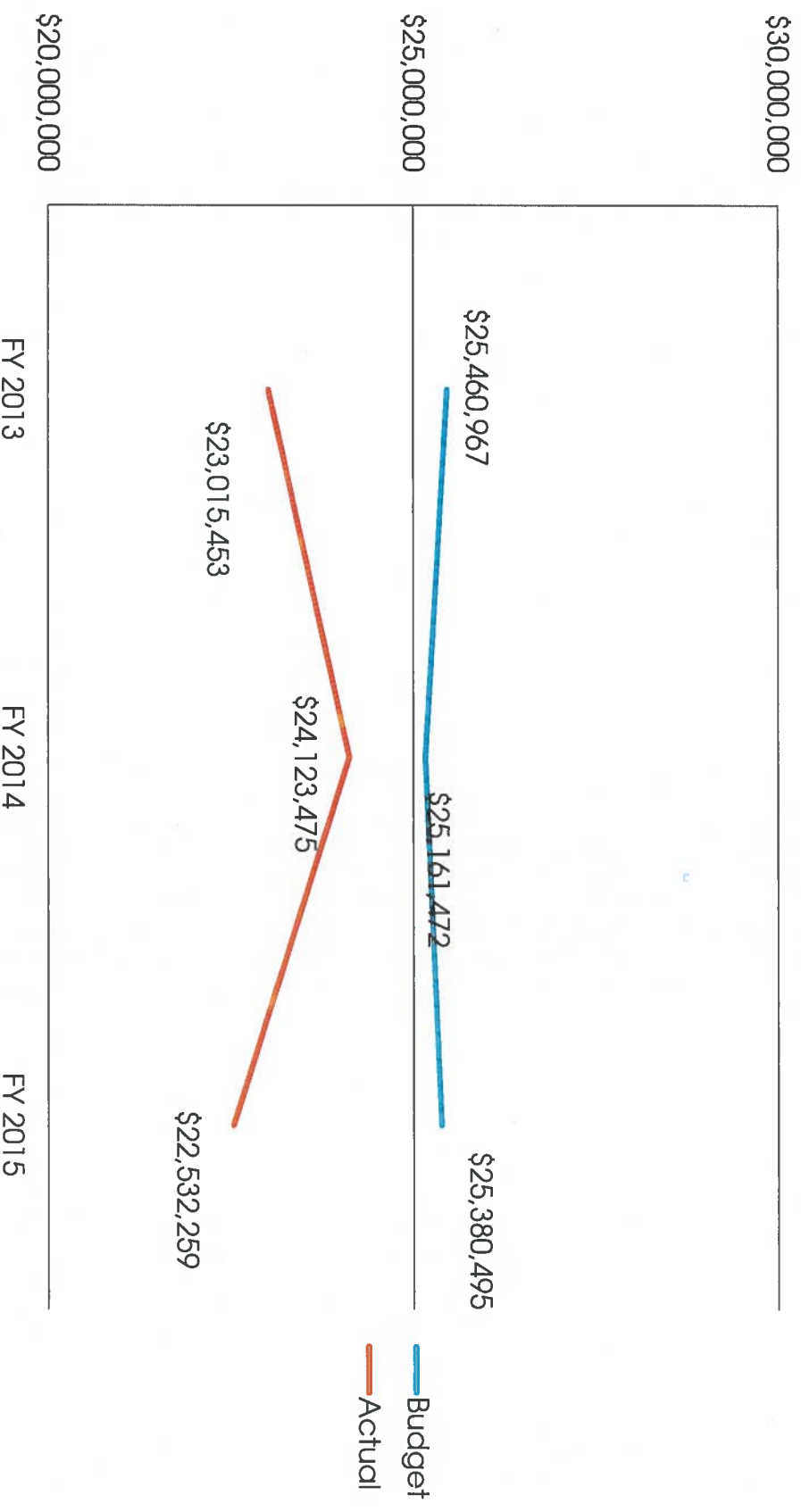
GENERAL FUND EXPENDITURES

▶ MAJOR USES RECURRING VS NON-RECURRING

- Personnel
(Salaries and Benefits)
- Operating
(Professional Fees, Maintenance, Supplies, Travel, Rentals)
- Capital Outlay = Asset Purchase Over \$5,000
(Buildings, Land, Improvements, Equipment, Vehicles)



GENERAL FUND EXPENDITURES OVER THE LAST THREE YEARS





Questions???

